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Senate Committee on Natural Resources, Environment & Great Lakes

Room 210, Farnum Building

Chair, Senator Tom Casperson

Good Morning Mr. Chairman and Committee Members,

My name is Henry Schienebeck and am here representing the Great Lakes Timber Professionals Association. (GLTPA) The GLTPA is a two state organization representing over 1,000 forestry professionals including loggers, truckers, foresters, large and small sawmills, paper mills, OSB mills, equipment manufacturers' and dealers and others.

The purpose of our testimony is to support the overall intent of the bill package including Senate Bills, 1058, 1059, 1060, 1061, and 1062 and House Bills 4969 and 4970. Like many bills offered for hearing they are not without flaw and controversy but it is GLTPA's hope this legislation will lay the ground work needed to secure the future and growth of the forest products industry in Michigan.

As you have seen by maps and information provided to this committee in previous hearings Michigan and the United states have lost many its wood consuming industries to countries such as China, Japan, and India creating a shortage of high paying jobs and employment opportunities for Michigan residents.

There are several reasons for the loss of those facilities and jobs. We believe two of the main reasons are one, the high cost of regulation, and two, the high cost and lack of guaranteed raw material from a variety of sources. Those sources include federal forest service lands and private non-industrial forests.

While there are around 750,000 owners of forested land in Michigan only about 85,000 acres are currently enrolled in the Qualified Forest Program. In neighboring states such as Wisconsin, programs like the managed forest Law have created land owner incentives which are now helping private land owners supply 60% of the raw material harvested for industry. Since trees are a crop with a long rotation period it seems only fitting that land owners would be given tax options similar to those given to other industry such as farming. We believe it is the intent of the current legislative package of bills to create landowner incentives that would not only secure the forestry industry, but those incentives would also create an atmosphere of job growth by insuring an adequate supply of raw material.

Much of the conversation on this package of bills has centered on which department will be responsible for helping land owners become aware of the benefits of forest management. While



GLTPA is not necessarily concerned with which department will handle the task, we have great concern in regard to the quality of current forestry graduates. It is reported to GLTPA and other organizations that many "modern" day foresters are focused solely on the ecological benefits of the forest with little or no regard for the social and economic impact of sustainable management. What they have not taken into consideration is the fact that without a thriving economy there will be less tax money available to support stand alone ecological management creating further hardship for the remaining tax payers and legislatures that will be forced to make deeper cuts in spending.

In closing Mr. Chairman it is our high expectation the series of bills being considered today is a welcomed step to maintaining the current timber industry workforce and should also be used as a tool to further expand the forest products industry. While it appears as though there are many details yet to be worked out, this legislation to us, is about maintaining jobs and freedom needed to continue living the quality of life we have become accustomed to in rural America for many generations.

Thank you for the opportunity to speak with you today and I will be happy to answer any questions.

Respectfully submitted on behalf of the Board and Members of the Great lakes Timber Professionals Association,

Henry Schienebeck

Executive Director